

MAINE DEPARTMENT OF LABOR  
Bureau of Unemployment Compensation  
Benefits Division  
47 State House Station  
Augusta, Maine 04333-0047

**Questions About This Form?** Contact us at:  
Telephone: (207) 621-5100  
Fax: (207) 287-8351  
TTY Users Call Maine Relay 711, or  
Visit our Website: [www.file4ui.com](http://www.file4ui.com)

## WOULD YOU LIKE TO HAVE FEDERAL AND/OR STATE INCOME TAXES WITHHELD FROM YOUR UNEMPLOYMENT BENEFITS?

1. Why should I request withholding? You may find that having federal income tax withheld from benefit payments is more convenient than filing quarterly estimated tax reports and making payments. For more details, see IRS Form 1040-ES, Estimated Tax for Individuals.
2. **If I choose voluntary tax withholding, how much would be taken from my weekly benefit payment?** Voluntary Federal withholding is set at 10% of the amount of your benefit entitlement while voluntary State withholding is set at 5%. No other percentage or amount is allowed. If your weekly benefit amount is reduced because of earnings, the percentage of taxes withheld is based on the partial benefit payment. If your full or partial weekly benefit amount is reduced because child support obligations are deducted or an unemployment overpayment is being repaid by offset, the amount of tax withheld is based on benefits payable to you **before** these deductions are made.

Example: Weekly benefit amount ..... \$200  
Minus: 10% for Federal taxes (\$20) and 5% for State taxes (\$10)..... - 30  
**Check or Direct Deposit Amount ..... \$170**

In the above example, if 50% of your unemployment benefits were used to pay child support or repay an unemployment benefit overpayment, the amount of your unemployment payment would be **\$70**.

3. **How do I start or stop voluntary withholding?** You must complete Form W-4V **to either start or stop withholding**. Your choice is automatically carried into a new benefit year and will remain in effect until you change it, stop it, or the payments stop. You can get a new form by going to our website [www.file4ui.com](http://www.file4ui.com) or by calling (207) 621-5100.
4. **How will I know how much I was paid in unemployment insurance benefits and how much was withheld during a calendar year?** You can access information about your claim, when your check was mailed or benefits deposited, account balances, and the total amount of overpayment repayments and tax withholdings to date within the calendar year via a secure website. This website is available 24 hours per day/ 7 days per week. The Maine Department of Labor will send you a Form 1099G by January 31<sup>st</sup> of the following year stating payments of \$10 or more in unemployment compensation, Alternative Trade Adjustment Assistance (ATAA) of \$600 or more, Federal and State income tax withheld and overpayment repayments, credits, and offsets. U.S. Individual Income Tax Return Forms 1040, 1040A, and 1040-EZ instruct you as to how to report unemployment compensation received, the amount of taxes withheld, and repayments made during the past calendar year
5. **Is there a penalty if I do not report Unemployment Compensation payments when I file my tax return?** The Maine Department of Labor is required to furnish the Internal Revenue Service with the information stated on your copy of Form 1099-G. If you are required to file a tax return, but do not report benefits paid as income, the IRS may impose a negligence penalty or other sanction on you.

**IF YOU CHOOSE TO NOT HAVE TAXES WITHHELD, DO NOT RETURN THE ATTACHED FORM W-4V.**

**MAIL THIS FORM TO:** Maine Department of Labor  
Bureau of Unemployment Compensation  
Benefits Division  
47 State House Station  
Augusta, ME 04333-0047

--- ✂ ----- ✂ ----- ✂ ----- Cut here and mail this form to the State Bureau of Unemployment Compensation address above ----- ✂ ----- ✂ ----- ✂ ---

Form <b>W-4V</b> (rev. 01/08) Department of the Treasury Internal Revenue Service		<b>Voluntary Withholding Request For Unemployment Compensation</b>		OMB 1545-0074	
1. Type or Print Your Name:		(First Name and Middle Initial) (Last Name)		2. Social Security Number	
3. Home Mailing Address (Number and Street or Rural Route)					
4. City or Town, State and ZIP Code					
Check appropriate box or boxes if you want to <b>start or stop</b> having income taxes withheld from your unemployment benefit payments.					
5. <input type="checkbox"/> I want <b>FEDERAL</b> Income Tax withheld from my weekly unemployment benefits at a rate of 10% of each payment.					
6. <input type="checkbox"/> I want <b>STATE</b> Income Tax withheld from my weekly unemployment benefits at a rate of 5% of each payment.					
7. <input type="checkbox"/> I want you to <b>STOP WITHHOLDING</b> income taxes from my payment(s).					
Your Signature ➡				Date ➡	

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**Must be Completed With Signature To Be Valid**